

June 28, 2005

Honorable James H. Welsh
Commissioner of Conservation
Department of Natural Resources
Office of Conservation
P. O. Box 94275
Baton Rouge, Louisiana 70804-9275

RE: Proposed Alternate Unit Well
Big 2 Zone, Reservoir B (Exceptional Location)
LAPEYROUSE FIELD
Terrebonne Parish, Louisiana

Dear Sir:

Application is hereby made on behalf of LLOG Exploration Company, L.L.C. for the calling of a public hearing, after ten (10) days legal notice, to consider evidence relative to the issuance of an order pertaining to the following matters relating to the Big 2 Zone, Reservoir B, for which a unit was established and rules and regulations adopted by Office of Conservation Order No. 416-YY-1, effective November 30, 2004.

1. To authorize and permit LLOG Exploration Company, L.L.C. to drill and designate their F. W. Walker No. 1 Well as an alternate unit well for the BIG 2 RB SUA, said well located approximately as shown on the plat attached hereto, in exception to the spacing provisions of Office of Conservation Order No. 416-YY-1, effective November 30, 2004.

2. To find a tolerance of no closer than 100 feet from the nearest unit line for the proposed alternate unit well is necessary to account for the possible variance between the proposed location and the "as drilled" location.

3. To permit the operator to produce the unit allowable from the unit well, the proposed alternate unit well, or from both wells, at its option.

4. Except to the extent contrary herewith, to continue in full force and effect the provisions of Office of Conservation Order No. 416-YY-1, the unit created thereby, and applicable Statewide Orders.

5. To consider such other matters as may be pertinent to this application.

The designation of the well, as an alternate unit well for the captioned unit, will aid in meeting the market demand for gaseous hydrocarbons and condensate and will not cause any inequities to the Parties involved.

The Big 2 Zone, Reservoir B, in the Lapeyrouse Field, Terrebonne Parish, Louisiana, was fully defined in Office of Conservation Order No. 416-YY-1, effective November 30, 2004.

There is attached hereto and made a part hereof a plat identifying the subject unit along with the location of the proposed alternate unit well. Pursuant to the Revised Rules of Procedure, a list of names and addresses of the Interested Owners, Interested Parties and Represented Parties to whom this application is being sent is being furnished only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. However, the list will be provided to any party requesting a copy. A diligent effort was made to ascertain the names and addresses of all Interested Owners, Interested Parties and Represented Parties as required by the Revised Rules of Procedure.

Finally, there is enclosed our check on behalf of the applicant, LLOG Exploration Company, L.L.C. in the sum of \$755.00 payable to the Office of Conservation and representing the required hearing application fee.

Sincerely,

LEON E. COMEAUX & ASSOCIATES



Bill McAlister

BM/cu
Enclosures

cc: Mr. Richard Hudson
Office of Conservation
825 Kaliste Saloom Road
Brandywine III, Suite 220
Lafayette, Louisiana 70508-4284

Interested Parties, Interested
Owners and Represented Parties

